



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

September 19, 2011

Mr. Todd Lambert
34776 Pennington
Farmington Hills, MI 48335

Dear Mr. Lambert:

Thank you for your letter regarding Michigan's no-fault insurance and your concerns for changes being considered by Senate Bill 293 and 294. I believe it is important that citizens take an active role in our government process and I appreciate you taking the time to provide your valuable suggestions for improvement.

In 1973, the Michigan Legislature enacted no-fault insurance laws requiring all vehicles be insured with at least a minimum amount of coverage. The Michigan No-Fault Act was adopted to increase the level of benefits paid to injured persons, make sure payments are made promptly, and to reduce the proportion of benefit dollars paid out for legal and administrative costs. The rationale behind the 1973 enactment was many of those severely harmed in car accidents were often under-compensated and the poor were forced to settle for lesser amounts they were due because of economic necessity.

By requiring coverage and guaranteeing injured parties could recoup monetary losses associated with the injuries, the State of Michigan endeavored to create a more balance approach. Our no-fault insurance requirement remains unique and is often recognized as the best auto insurance system in the United States. For this reason, there has been a legislative reluctance to modify this law.

However, reluctance does not mean changes are not discussed. It is the responsibility of our representatives and senators, as the legislative branch of our government, to introduce such legislation as you mention and to go through the process of becoming law. I would suggest you contact your state representative and/or senator with any additional comments you wish to have voiced. Should related legislation come before me for final signature, I will be certain to keep your views in mind.

Again, thank you for your letter. Please do not hesitate to contact my office in the future regarding other state-related issues of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Snyder".

Rick Snyder
Governor